

Date: February 12, 2009

To: **Lawrence City Commissioners**

From: Daniel Poull, Chair, Sustainability Advisory Board

CC: Roger Zalneraitis, City of Lawrence Economic Development Coordinator

RE: **Proposed Tax Abatement and Public Incentives Policy**

The Sustainability Advisory Board wishes to comment on the City's pending tax abatement and public incentive policy. As the SAB expressed¹ earlier in regard to the City's tax increment financing (TIF) and transportation development district (TDD) policies², again, we believe that the City's proposed tax abatement and public incentive policies warrant stronger language regarding sustainability. To that end, we offer the following comments:

The Application Process

Currently, the City's abatement/incentive application lacks opportunities for businesses to highlight their environmental performance or disclose the infrastructure impacts of a given proposed project. The language currently included in the policy--that a business should be "environmentally sound"--does not provide definable benchmarks which can be used to fairly and objectively evaluate applicants. Rather, we recommend that the City request the following specific environmental and infrastructure information on abatement applications: estimated water and energy usage; wastewater and solid waste generation; hazardous waste generator status and EPA ID#, if applicable; air, pre-treatment/discharge or NPDES permit #, if applicable, and any pollution prevention or energy conservation measures to be included in proposed project.

Overview of Applications

We support overview of abatement applications by a subordinate body (i.e. the PIRC or ED Board) and respectfully request that a member of SAB be allowed to participate as a voting, ad-hoc member of such a body.

Reward Clause for LEED certification, etc.

While we certainly support LEED certification as a possible facet of abatement or incentive assessment, we believe that there are also many other important (and perhaps less costly) ways that a company can demonstrate their commitment to sustainability. Many communities have begun to implement abatement policies which reward sustainability and encourage the development of "green collar"³ jobs. We fully support this idea and believe it merits the Commission's consideration. However, we do not believe that it should be implemented at the exclusion of the information included in item 1, above.

Cost Benefit

Whichever benefit cost or project evaluation model is implemented, we recommend that it include and be structured to consider the environmental and infrastructure impacts of a given abatement application.

¹ see December 2008 CC meeting minutes, and SAB TIF/TDD memo submitted to Diane Stoddard May 7, 2008.

² http://www.ci.lawrence.ks.us/web_based_agendas/2008/12-16-08/12-16-08h/encodevo_tif_tdd_ltr_frm_sab.pdf

³ <http://www.gpace.org/?tag=kansas-blue-green-alliance>